

**Congress of the United States**  
**Washington, DC 20515**

July 24, 2003

Dear Texas Colleague:

We're writing to urge you to co-sponsor H.R. 1372, the Broad-Based Stock Option Plan Transparency Act of 2003.

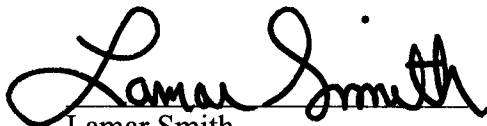
As Texans, we recognize how important the technology industry is to the Texas economy, as well as to the national economy. According to AeA's Cyberstates 2002 report, Texas ranked 2<sup>nd</sup> among states in high-tech employment and 10<sup>th</sup> in high-tech average wage. The average high-tech wage was \$68,387 – compared to the average private sector wage of \$35,695. High-tech exports accounted for thirty percent of Texas' international trade.

In the technology industry, which has been a key engine of growth and productivity for the last decade, broad-based employee stock option plans have been an integral part of its past successes. Granting stock options to all rank-and-file workers and middle managers in the high-tech industry allows opportunities for employee ownership unmatched by any other industry.

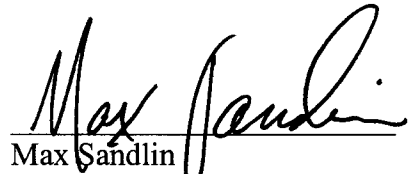
The mandatory expensing of all employee stock options would mean that this kind of employee ownership would evaporate for the hundreds of thousands of Texans who currently receive these stock options. The accounting rules and those who set them should take into account the adverse, real-world economic impact their actions will have on everyday Texans.

We urge you to demonstrate your support for this critical effort. If you have any questions, please contact Cameron Gilreath in Congressman Lamar Smith's office at 202-225-4236 or Josh Saltzman in Congressman Pete Sessions' office at 202-225-2231.

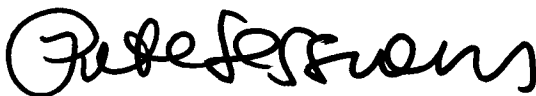
Sincerely,



Lamar Smith  
Member of Congress



Max Sandlin  
Member of Congress



Pete Sessions  
Member of Congress



Chris Bell  
Member of Congress